- SENATE FINANCE COMMITTEE - ESTIMATED BUDGET EFFECTS OF CHAIRMAN'S MARK RELATING TO REVENUE RECONCILIATION PROVISIONS

Fiscal Years 1997 - 2007

[Millions of Dollars]

Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
1. FAMILY TAX RELIEF PROVISIONS 1. \$500 tax credit for children under age 17 (under age 18 after 2002) (pro-rata \$250 for 1997 for children under age 13); post-EIC, deposit requirement for age 13 to 16 (age 13 - 17 after 2002); \$75,000/\$110,000 phaseout; no indexing [1]	7/1/97		-10,300	-18,192	-17,884	-17,502	-17,291	-17,088	-17,674	-17,422	-17,173	-16,926	-81,169	-167,452
Individual AMT - annually increase exemption amounts by \$600 joint/\$450 single for 2001 and 2002; \$950 joint/\$700 single for 2003 and thereafter	tybo/a 1/1/01	 	 -10,300	-18,192	 -17,884	-55 -17,557	-295 -17,586	-719 -17,807	-1,428 -19,102	-2,428 -19,85 0	-3,955 -21,128	-5,872 -22,798	-350 - 81,519	-14,752 -18 2,204
II. EDUCATION TAX INCENTIVES 1. Administration's HOPE scholarship tax credit as modified - drop B average requirement; credit is 50% of up to \$3,000 (75% of up to \$2,000 for students attending community colleges and technical schools) adjusted out-of-pocket tuition expenses to include books required for attendance (phaseout \$40,000 - \$50,000 singles/\$80,000 - \$100,000 joint) [2]; require high school diploma or equivalent thereof to claim HOPE scholarship credit	pma & tyba 12/31/97		-1,531	-4,630	-4,689	-4,752	-4,822	-4,884	-4,935	-4,985	-5,035	-5,085	-20,425	-45,349
\$50,000 singles/ \$80,000 - \$100,000 joint); deduction amounts are indexed; income limits indexed beginning in 2003	poida 12/31/97		-56	-176	-218	-274	-347	-386	-409	-434	-461	-490	-1,071	-3,251
educational assistance for graduates and undergraduates	tyba 12/31/96 tyba 12/31/97		-636 -78	-660 -201	-704 -181	-745 -175	-778 -177	-813 -179	-850 -182	-888 -184	-928 -186	-972 -189	-3,522 -812	-7,972 -1,732

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Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
5. Education IRAs - allow contributions of \$500														
child tax credit; and \$2,000 nondeductible														
contributions; tax-free inside buildup; tax free														
withdrawals if used for tuition, room and board														
and graduate education; create prepaid plans														
for private education institutions (\$2,000 per														
year) [3]	tyba 12/31/97		-202	-836	-1,175	-1,354	-1,421	-1,833	-2,223	-2,613	-3,008	-3,421	-4,988	-18,086
Allow tax-free withdrawals from qualified	•													
State-sponsored tuition programs; expanded to														
include room and board [3]	tyba 12/31/97		-60	-199	-216	-236	-258	-281	-308	-336	-368	-403	-969	-2,665
7. Repeal \$150 million limit on tax-exempt section	•		•											
501(c)(3) bonds for new capital expenditures	1/1/98		-6	-45	-75	-89	-99	-106	-115	-125	-138	-162	-315	-962
8. Exempt teachers' course work in education														
technology from the 2% miscellaneous itemized														
deduction floor	tyba 12/31/97		-10	-21	-22	-23	-24	-25	-25	-27	-28	-29	-99	-232
Raise small issuer arbitrage rebate exception for	•													
governmental bonds used to finance education														
facilities from \$5 million to \$10 million	bia 12/31/97		-1	-4	-7	-11	-14	-27	-30	-33	-36	-38	-36	-199
			-2,580	-6,772	-7,287	-7.659	-7,940	-8.534	-9,077	-9.625	-10,188	-10,789	-32,237	-80,448
SUBTOTAL OF EDUCATION TAX INCENTIVES	***************************************		-2,000	-0,172	-7,201	7,000	,,0.0	-,	-,	-,	,	-	·	
III. ECONOMIC GROWTH, SAVINGS AND														
INVESTMENT INCENTIVES														
1. Capital gains (a) 20%/10% rate structure; (b) retain														
maximum 28% for collectibles; (c) section 1250														
recapture at maximum of 26%; (d) symmetric AMT														
treatment; (e) exclusion for gain on personal					0.007	0.400	-3.338	-3.510	-3.724	-3,886	-4.097	-4,391	-978	-20,586
residence (including remainder interests)	5/7/97	1,318	7,184	57	-3,007	-3,192	-3,330	-3,510	*3,724	•5,000	-4,007	-4,001	010	20,000
Qualified small business stock rules: extend														
present law to corporate investors, repeal the														
excluded gains from AMT, increase size of														
eligible business to \$100 million, repeal														
pre-issue limitation, allow qualified tax-free						4-4	-197	-226	-260	-299	-344	-396	-719	-2,244
rollover, other changes	various	***	-73	-129	-149	-171	-197	-220	-200	-2.33	-044	-000	7.0	_,
Expand deductible IRAs - increase income														
limits by \$10,000 for joint filers in 1998, 2000,														
2002, and 2004 (\$5,000 for single filers in 1998,														
2000, 2002; \$10,000 in 2004) and eliminate														
active spousal participant rules; create IRA Plus						1.								
as in S. 197; penalty-free withdrawals for														
first-time home purchases capped at \$10,000;			405	450	-116	-978	-1,354	-2,070	-3,672	-4,384	-4.909	-5.473	-3.343	-23.850
and long-term unemployment [4]	tyba 12/31/97		-435	-459	-110	-970	*1,004	-2,070	-0,012	-4,00-7	4,000	0,110	0,0.0	
SUBTOTAL OF ECONOMIC GROWTH,												40.000	F 0.40	40.000
SAVINGS AND INVESTMENT INCENTIVES	***************************************	1,318	6,676	-531	-3,272	-4,341	-4,889	-5,806	-7,656	-8,569	-9,350	-10,260	-5,040	-46,680

Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
TAY PROVICIONS														
ESTATE AND GIFT TAX PROVISIONS Increase unified estate and gift tax credit to														
\$625,000 in 1998; \$640,000 in 1999; \$660,000														
in 2000; \$675,000 in 2001, \$725,000 in 2002,		•												
\$750,000 in 2003, and by \$50,000 from 2004 through 2008; index other provisions beginning											4.070	0.076	2 106	-23,326
in 1999	ida 12/31/97			-295	-557	-977	-1,277	-2,110	-2,912	-3,946	-4,976	-6,276	-3,106	-20,020
2 Exclude up to \$1 million of qualified family farms					****	000	057	-1,138	-1,327	-1,543	-1,686	-1,841	-3,080	-10,616
and businesses	da 12/31/97			-598	-702	-823	-957	-1,130	-1,521	-1,040	1,000	.,-		
3. 20-year installment payment where estate														
consists largely of interest in closely held								-14	-10	-7	-5	-2		-38
DUSINESS	dda 12/31/97		••-											
4. No interest on certain portion of estate tax														
extended under section 6166 and interest rate													407	E40
reduced to 45% of present-law interest but	dda 12/31/97			-10	-20	-32	-45	-59	-73	-88	-103	-119	-107	-549
nondeductible5. Certain farmland cash rentals do not cause	444 TEC 1101								_	^	0	-2	-33	-43
recapture of special valuation	roa 12/31/76		-25	-2	-2	-2	-2	-2	-2	-2	-2	-2	400	40
Expand exception from generation-skipping														
transfer tax for transfers to individuals with							4	4	-5	-5	-5	-6	-16	-41
deceased parents	gsta DOE			-4	-4	-4	-4	-4	-5		•			
7. Exclude up to \$1 million estate tax exclusion for														
treatment of land subject to a qualified														
conservation easement coordinated with														
exclusion of family farms and businesses														
(expanded treatment of land with severed	dda 12/31/97			-43	-48	-52	-55	-60	-64	-70	-75	-80	-198	-547
mineral rights) business relict document				0.00	4 000	-1,890	-2,340	-3,387	-4,393	-5,661	-6,852	-8,326	-6,540	-35,160
SUBTOTAL OF ESTATE AND GIFT TAX PROVISIONS	***************************************		-25	-952	-1,333	-1,030	-2,540	-0,001	-1,000	-,	,			
V. EXPIRING TAX PROVISIONS						÷								
 Contributions of appreciated stock to private 	6/1/97		-40	-111	-81	-9	-2						-243	-243
foundations (through 12/31/99)	6/1/97		-29	-28	-30	-32	-34	-35	-37	-39	-40	-42	-152	-346
2. Orphan drug tax credit (permanent)	0/1/9/													
Work opportunity tax credit (through 12/31/99); modify eligibility for welfare recipients to 9 out of									_				-953	-975
last 18 months; include SSI recipients	poifhma 9/30/97		-164	-297	-285	-149	-57	-19	-3				-5,454	-5,785
4. R&E credit (through 12/31/99)	6/1/97	-161	-1,062	-1,621	-1,458	-700	-452	-259	-72				•	
		-161	-1,295	-2,057	-1,854	-890	-545	-313	-112	-39	-40	-42	-6,802	-7,349
SUBTOTAL OF EXPIRING TAX PROVISIONS		101	.,	-,	•									
VI. DISTRICT OF COLUMBIA TAX INCENTIVES [5]														
Designate existing D.C. enterprise community														
and census tracts with greater than 35%														
poverty as the D.C. Enterprise Zone, eligible for														
modified present-law empowerment zone incentives (20% wage credit; increased 179														
expensing), and expanded tax-exempt									_	0	-3	-3	-101	-124
financing; sunset 12/31/02	1/1/98		-12	-20	-21	-23	-25	-12	-3	-3	-3	-0	-101	,,,,
manding, sunder 12 of version														

2. Exclude capital gain ratio for new investment in qualend D.C. besinesses properly held for at least \$ 1,770 and \$ 1,770 an	:									-					
qualified DC. beariness properly hold for at eleast (9yrus; among 1293/RQZ. 3. S75 million in tax credits to largoyers that provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide and above the filter defortion for certain State on the cell official sex approved. 4. Provide an above the filter defortion for certain State on the cell official sex approved. 5. Repeat UBIT or incores from an Scorporation to an ESCOPT. 6. Section of the provide equily and for the provide equi	Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
qualified DC. beariness properly hold for at eleast (9yrus; among 1293/RQZ. 3. S75 million in tax credits to largoyers that provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide equily and faces to certain DC. but the provide and above the filter defortion for certain State on the cell official sex approved. 4. Provide an above the filter defortion for certain State on the cell official sex approved. 5. Repeat UBIT or incores from an Scorporation to an ESCOPT. 6. Section of the provide equily and for the provide equi															
Systems in tax codes to superyest field provide equity and loans to certain D.C. 1/1/88 5 10 20 25 10 2 2 1 1 [7] [7] 70 75 SUBTOTAL OF DISTRICT OF COLUMBIA TAX INCENTIVES															
3. Siz million in tax contails to bapayers that provide egilly and loans to cortain D.C. businesses. 1/1/36		1/1/98		-1	-9	-19	-34	-52	-76	-133	-142	-156	-167	-115	-790
Privade equity and foams to contain D.C. businessess		11 11 00													
Subtrotal OF DISTRICT OF COLUMBIA TAX INCENTIVES -18 -39 -60 -62 -67 -90 -138 -146 -159 -170 -286 -989															
SUBTOTAL OF DISTRICT OF COLUMBIA TAX INCENTIVES	• • •	1/1/98		-5	-10	-20	-25	-10	-2	-2	-1	[7]	[7]	-70	-75
1. Create Intercity Passenger Rail		ES		-18	-39	-60	-82	-87	-90	-138	-146	-159	-170	-286	-989
1. Create Intercity Passenger Rail															
Fund [6]	VII. MISCELLANEOUS PROVISIONS														
Find [6]	Create Intercity Passenger Rail				050	000	000							-2 323	-2.323
Siste and local official's expenses	• •	10/1/97	•••	-641	-653	-666	-363							2,020	2,020
State and local official's expenses. 8. Repeal USIT on income from an S corporation to an ESOP. 1. Clarify tax exempt status of certain State workness's compensation funds. 2. 1. 23 3. 34 4. 41 4.4 4.6 4.8 4.8 5.0 5.2 5.4 1.149 4.00 4. Clarify tax exament of corporate sponsorable of charitable organization events. 8. Raise the charitable mileager rate from 12 cents/mile to 15 cents/mile and index. 9 1. 21/31/97 12 83 8.8 97 1.29 1.140 1.77 1.192 2.21 2.88 4.09 1.1,447 7. Allow timesher associations to elect to be taxed as homeowner associations at 32% rate. 8. Modification of passive foreign investment company provisions to eliminate overlap with subpart F and to allow mark-to-market election. 9 1. Phase in foreign sales corporation benefits for computer software. 9 1. Phase in foreign sales corporation benefits for computer software. 9 1. Direct Scorelary of Treasury to find troatly benefits for payments to certain hybrid entities. 10 Exception from U.S. property definition under subpart F for certain ascurities positions. 11. Direct Scorelary of Treasury to find troatly benefits for payments to certain hybrid entities. 12. Equalize the tax rates among alternative fuels except CNG. 13. Repeal excise tax as conference of the EIC. 14. Expense Throughout the design from culled cows are not included in disqualified income for purposes of the EIC. 10 1/197 1 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.					4	1	-1	-5	-5	-6	-6	-7	-7	-19	-50
to an ESOP. 19ba 12/31/97 -8 - 22 - 34 - 41 - 44 - 46 - 48 - 50 - 52 - 54 - 1-19 - 400	+ · · · · · · · · · · · · · · · · · · ·	eli tybo/a 1/1/98		-2	-4	-4		-5	-0	Ŭ	v	•	•		
Value Valu	•	tub = 10/01/07		٥	-03	-34	-41	-44	-46	-48	-50	-52	-54	-149	-400
workmen's compensation funds		typa 12/3/19/		-0	-20	-0-7		• •							
Workfield Computer Software. Chair Software Computer Software Computer Software Computer Software Computer Software Computer Software Computer Software. Chair Software Computer Software C		tuba 12/31/97		[7]	[7]	-1	-1	-1	-1	-1	-1	-1	-1	-2	-6
charitable organization events		tyba 12/5/1/5/		1,1	1.1										
Relate the charitable mileage rate from 12 cents/mile to 15 cents/mile and index		eca 12/31/97 -		. 				- Negligible	Revenue L	Effect		-		- 	
cents/mile to 15 cents/mile and index	<u> </u>	004 125						* -							
7. Allow timeshere associations to elect to be taxed as homeowner associations at 32% rate	•	tvba 12/31/97		-12	-83	-88	-97	-129	-140	-177	-192	-241	-288	-409	-1,447
taxed as homeowner associations at 32% rate. tyba 12/31/96		.,													
8. Modification of passive foreign investment company provisions to eliminate overlap with subpart F and to allow mark-to-market election		tyba 12/31/96 -		- 				- Negligible	e Revenue I	Effect • •					
company provisions to eliminate overlap with subpart F and to allow mark-to-market election		•													-
subpart F and to allow mark-to-market election. tyba 12/31/97 23 .21 .22 .24 .25 .26 .27 .29 .31 .33 .113 .201 9. Phase in foreign sales corporation benefits for computer software												•		445	061
9. Phase in foreign sales corporation benefits for computer software gra 12/31/9718 -30 -112 -171 -178 -189 -200 -225 -250 -275 -509 -1,648 -190 -200 -225 -250 -275 -509 -1,648 -275 -190 -200 -225 -250 -275 -509 -1,648 -275 -275 -270 -275 -270 -275 -270 -270 -270 -270 -270 -270 -270 -270	subpart F and to allow mark-to-market election	tyba 12/31/97		-23	-21	-22	-24	-25	-26	-27	-29	-31	-33	-115	-201
computer software gra 12/31/9718 -30 -112 -171 -178 -189 -200 -225 -250 -27 -50 -270 -170 -170 -170 -170 -170 -170 -170 -1										200	005	050	075	E00	1 6/19
subpart F for certain securities positions		gra 12/31/97	•	-18	-30	-112	-171	-178	-189	-200	-225	-250	-2/5	-509	-1,040
subpart F for certain securities positions	Exception from U.S. property definition under										2	و۔	-2	-9	-19
DOE Transportation Provisions Transportation Provisions	to the second	tyba 12/31/97		-1	-2	-2	-2	-2	-2	-2	-2	-£-	-2		
Transportation Provisions 12. Equalize the tax rates among alternative fuels except CNG								Modligible	n Dovenue	Effort					
12. Equalize the tax rates among alternative fuels		DOE -				•		- 146giigibit	, i leveride i	Liloot					
except CNG	•									*					
13. Repeal excise tax on recreational motorboat diesel fuel	•	DOE	-2	-15	-16	-16	-17	-18	-19	-20	-21	-22	-23	-84	-188
1/1/98 1		DOE	-2	-10		10									
14. Expense "Brownfields" redevelopment costs in empowerment zones, enterprise communities and EPA demonstration sites		1/1/98		-4	-5	-5	-1	-1	-1	-1	-1	-1	-1	-16	-22
empowerment zones, enterprise communities and EPA demonstration sites		17 17 30		·	•										
and EPA demonstration sites															
15. Reduce excise tax rate on draft cider to the small producer beer rate		eia DOE		-35	-58	-58	-47	-48	-48	-47	-45	-45	-44	-247	-475
small producer beer rate		-													_
16. Clarify that capital gains from culled cows are not included in disqualified income for purposes of the EIC		10/1/97		-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-3	-/
not included in disqualified income for purposes of the EIC															
of the EIC									-			4		c	13
livestock sold on account of certain	of the EIC	tyba 12/31/95		-2	-1	-1	-1	-1	-1	-1	-1	•1	-1	-0	-13
livestock sold on account of certain	17. Provide involuntary conversion tax treatment for														
weather-related conditions sea 12/31/9612 -2 -2 -2 -1					_			-1	_4	_1	_1	-1	-1	-18	-23
	weather-related conditions	sea 12/31/96	•••	-12	-2	-2	•2	-1	-1	ı	•	•	•		

Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
18. Reverse IRS position on AMT treatment of						404	167	-148	22	22	21	21	-811	-872
certain installment sales by farmers	di tyba 12/31/87	-8	-157	-158	-167	-164	-157	-140	22	24	4-1		•	
Require study on simplified collection of distilled							Mo Rei	vonua Effec	+					
spirits taxes							110 110	PCHEC ENCO	•					
20. Restore meals deduction to 80% in 5%														
increments every other year for persons subject														
to Federal hours of service limitation and	h.h. 10/01/07		-8	-17	-27	-38	-50	-63	-77	-92	-109	-126	-140	-607
Alaskan seafood processors	tyba 12/31/97		_				• • •							
21. Delay penalties for failure to make	DOE						No Re	venue Effec	ct			• • • • • •	• · • • • ·	
payments through EFTPS until after 6/30/98	DOE													
22. Allow grandfathered publicly traded	tyba 12/31/97 -					 -	Reve	nue Neutrai	/		-			
partnerships to elect to pay a PTP tax	typa 1201101													
23. Exempt multi-employer plans from section 415	tyba 12/31/97		-2	-3	-3	-4	-4	-5	-5	-5	-5	-5	-16	-41
percentage limitation24. Clarify partial termination rules for Trans-Alaska	tyba 1270 troi													
pension trusts							- Negligible	Revenue E	Effect					
25. Montana simplified tax and wage reporting														
system (5-year demo)	***						No Re	venue Effe	ct	• • • • • • •				
26. Increase the size of projects financed with														
small-issue tax-exempt bonds to \$20 million												00	04	-109
(keep bond cap at \$10 million)	bia 12/31/97		[7]	-2	-5	-7	-9	-12	-14	-17	-20	-23	-24	-109
Visit 1		-10	-941	-1.079	-1,214	-985	-674	-708	-606	-667	-768	-864	-4,900	-8,511
SUBTOTAL OF MISCELLANEOUS PROVISIONS			• • • • • • • • • • • • • • • • • • • •	-,	.,									
VIII. REVENUE OFFSETS														
 Extension of Airport and Airway Trust Fund 														
excise taxes through 9/30/07; modify airline	4014107	1.017	6,255	5,521	5,865	4,164	8.676	7,016	7,445	7,901	8,385	8,895	29,463	69,105
ticket tax deposit rule	10/1/97	-1,017	6,200	5,521	5,005	4,104	0,010	.,	.,	•				
Reduce air passenger ticket tax rate from 10%														
to 7.5% of ticket price for flight segments	4014107		-17	-19	-20	-21	-21	-22	-23	-23	-24	-25	-99	-215
to/from certain rural airports [8]	10/1/97		-17	10										
3. Repeal \$6 departure tax and impose 10% tax														
on the portion of international ticket price														
attributable to portion of flight through U.S.														
controlled airspace (but retain present law for domestic flights to/from Alaska and Hawaii) [9]	10/1/97		1.198	1.347	1,441	1,542	1,648	1,762	1,884	2,016	2,157	2,307	7,175	17,301
domestic nights to/from Alaska and Flawaii) [5]	10/1/01		-,	•										
Impose 10% tax on cash payments to airlines for air travel under credit card and similar														
	10/1/97		87	97	103	109	116	123	130	138	147	155	512	1,205
programs5. Require gain recognition for certain	da 5/3/95												75	060
extraordinary dividends	1- 04005		44	-93	-54	-10	38	73	79	85	92	98	-75	352
Require gain recognition on certain distributions														
of controlled corporation stock (with											44		1,459	1,848
modifications for intragroup distributions)	da 4/16/97		504	293	257	221	184	149	113	77	41	9	1,409	1,040
7. Require recognition of gain on certain										444	440	127	708	1,243
appreciated positions in personal property	csa 6/8/97		367	121	68	73	79	85	94	111	118 98	95	1,200	1,758
Modify net operating loss carryover rules	NOLgi tyba DOE	***	44	319	380	269	188	143	118	105	98 267	95 263	1,925	3,391
Modify foreign tax credit carryover rules	ftpa tyba 12/31/97	•••	80	520	468	441	416	390	275	271	201	203	1,823	0,001
or moonly totalign two strains are year.	-													

Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
Provision							**							
Modify holding period for dividends-received deduction	droaa 30da DOE		12	15	15	16	16	16	17	17	17	18	74	159
1. Inclusion of income from notional principal														
contracts and stock lending transactions under subpart F	tyba DOE		9	20	21	21	21	21	22	22	22	23	91	202
2. Further restrict like-kind exchanges involving				_	44	13	15	17	19	21	23	25	51	156
foreign personal property			4	8	11	129	131	134	136	139	142	145	645	1,340
3. Extend LUST excise tax through 9/30/07	10/1/97	•••	129	129	128 39	41	43	10	10	11	11	12	194	248
4. Treatment of preferred stock as "boot"	ta 6/8/97	•	35	37	39	41	40	10						
 Extend FUTA surtax and increase the statutory limit on the FUA Trust Fund from .25% of covered wages to .50% [10] 		••-		1,063	1,763	1,797	1,733	661	-73	-71	-74	-73	6,356	6,726
Expansion of requirement that involuntarily converted property be replaced with property	to a defen		1	4	6	8	11	13	15	17	19	21	30	115
acquired from an unrelated person	. icoa dofca		•	7	•	-								
 Require registration of confidential corporate 	. tsoaiTg		15	37	38	39	41	42	43	44	46	47	170	392
tax shelters	. Isoarry												•	
Information reporting on corporations receiving contract payments from certain Federal	rd 90da DOE			7	8	9	10	11	11	12	12	13	34	93
agencies				22	27	31	36	36	37	38	38	39	116	304
20. Modify holding period for certain foreign tax credits	t AAL-BOE		23	48	50	53	56	58	61	64	68	71	230	552
21. Reform tax treatment of redemptions involving related corporations			10	10	5	5	5	5	5	5	5	5	35	60
22. Restrict income forecast method and allow 3-year MACRS for rent-to-own property		•	37	43	61	69	38	27	25	16	17	18	248	352
23. Gains or losses from certain terminations with respect to property			15	27	25	25	25	25	25	25	25	25	1 1 7	242
24. Interest on underpayment reduced by foreign tax credit carryback	ftpoa tyba DOE		8	10	2	1	1	1	1	1	1	1	22	27
25. Modify the basis allocation rules for distributee partners	pda DOE		26	52	55	57	59	61	64	66	69	72	249	581
26. Eliminate the substantial appreciation requirement for inventory of a partnership	sepda DOE		32	66	69	73	77	80	84	89	93	98	317	761
Extend UBIT rules to second tier subsidiaries of tax-exempt organizations and modify control test	tyba DOE & tyba 12/31/98		8	14	8	6	5	5	4	4	4	4	42	63
28. Carryover basis on sale of property by tax- exempt related party	0/0/07		[11]	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[11]	1	2
Modification of treatment of company-owned life insurance - pro rata disallowance of interest on debt to fund life insurance	cia 6/8/97		20	53	93	140	193	247	299	349	399	447	500	2,240
 Termination of suspense accounts for family farm corporations required to use accrual 	0/0/07		30	34	36	37	38	40	41	42	44	45	175	387
method of accounting	•		42	92	101	102	61	20	21	22	23	24	398	508

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Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07
32. Repeal 1986 Act grandfather rules for pension														
business of Mutual of America	tyba 12/31/97		[11]	6	8	. 9	9	9	9	9	9	10	31	78
 Apply 3% telephone excise tax to certain 										404	440	404	400	604
prepaid phone cards	DOE		19	28	38	49	60	71	83	101	113	124	193	684
34. Consistency requirement for returns of				•					4	4		4	15	34
beneficiaries of estates and trusts	rfa DOE		3	3	3	3	3	3	4	4	4	4	15	34
35. No information reporting on sales of principal														
residences less than \$250,000 or \$500,000	005						Mandinibl	a Payanya	Effect					
(married filing joint return)	DOE -						ivegilylol	e nevenue	Lifect					
36. Determination of period of limitations relating to	Acceptate DOE			2	4	4	4	4	4	1	1	1	6	11
foreign tax credits	ftpoa tyba DOE		'	2	ı	'	,	1	ı	•	1	1	· ·	''
37. Uniform excise tax on vaccines; add 3 new	10/1/97		[7]	[11]	- 1	1	1	1	1	1	1	1	3	8
vaccines (\$0.84 per dose)	10/1/97		[7]	1111		ı	•	1		•		."	•	·
38. Increase the amount from \$3,500 to \$5,000 on involuntary cash out from pension plans	dma DOE	[11]	2	6	7	7	7	8	8	9	9	10	29	73
39. Repeal of 15% excess distribution and excess	tyba &	[11]	2	U	,	,	•	·	·	•	•		-*	
accumulation taxes	dda 12/31/96		-18	-19	-7	18	18	16	16	14	13	11	-8	62
40. Repeal special rule which permits certain	uua 1231/30		-10	-10	•					• •	• •		_	
companies to eliminate their AMT liability	tyba 12/31/97		2	5	5	5	5	5	5	5	5	5	22	47
41. Provide employers the option to offer tax-free	tyba 1201101		_	•	•	•	•	-	-	.				
employee parking or taxable cash														
compensation [12]	tvba 12/31/97	***	3	8	11	12	12	13	14	14	15	16	46	118
42. Replace truck tax deduction for tire value with	GOU ILLO NOT		·	•										
tax credit for excise tax paid on tires	sa 1/1/1998	***	66	94	96	97	99	101	102	105	108	110	452	979
•														440 500
SUBTOTAL OF REVENUE OFFSETS	***************************************	-1,017	9,096	10,030	11,232	9,662	14,154	11,477	11,225	11,877	12,563	13,296	53,152	113,592
SIMPLIFICATION PROPOSALS	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		-179	-132	-144	-159	-171	-183	-199	-220	-236	-254	-792	-1,890
TECHNICAL CORRECTIONS		•		***					•**			•••		***
ET TOTAL	************	130	434	-19,724	-21,816	-23,901	-20,078	-25,351	-30,058	-32,900	-36,158	-40,207	-84,964	-249,639

Source: Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Assumed enactment date of 10/1/97.

Provision Effective 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 1997-02 1997-															
Provision Electric 1331 1330 1333 2000 tool Edge 2001 2001	Provision	Effective	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1997-02	1997-07

Legend and Footnotes for JCX-32-97:

Legend for "Effective" column:

bia = bonds issued after
cia = contracts issued after
csa = constructive sales after
da = distributions after
da/a = distributions and acquisitions after
dda = decedents dying after
di = dispositions in
dma = disclosures made after
DOE = date of enactment
dofca = date of first committee action
dpoaa = dividends paid or accrued after

ftpa = foreign taxes paid or accrued in
ftpoa = foreign taxes paid or accrued in
gra = gross receipts after
gsta = generation skipping transfers after
icoa = involuntary conversions occurring after
lpo/a = labor performed on or after
NOLgi = net operating losses generated in
pda = partnership distributions after
poida = payments of interest due after
pma = payments made after
rd = returns due
rfa = returns filed after
roa = rentals occurring after (for returns open
on date of first committee action)

sa = sales after
sea = sales or exchanges after
sepda = sales and exchanges, and certain
partnership distributions after
ta = transactions after
Ta = transfers after
tyba = taxable years beginning after
tyba/a = taxable years beginning on or after
tyea = taxable years ending after
tsoaiTg = tax shelters offered after issuance of
Treasury guidance
wpoifhma = wages paid or incurred for hires made after
30da = 30 days after
90da = 90 days after

- [1] Estimate considers interaction with HOPE tax credit proposal.
- [2] Estimate includes interaction with employer education.

droaa = dividends received or accrued after

eca = events conducted after

eia = expenses incurred after eii = expenses incurred in

- [3] Estimate includes interaction with estate and gift taxes.
- [4] Estimate includes interaction with education IRAs.
- [5] All D.C. tax initiatives are contingent on the creation of an Economic Development Corporation in 1997; estimate assumes creation of such an Economic Development Corporation and enactment of reforms to D.C. borrowing authority similar to that in the Administration's proposal.
- [6] This provision would transfer net revenues from 0.5 cents/gallon of the excise taxes on all transportation motor fuels to the fund. The provision has no revenue effect. Federal outlays would increase by \$2.6 billion over fiscal years 1998 2001. Negative numbers in the table show the budget effect of the increase in outlays. Estimate provided by the Congressional Budget Office.
- [7] Loss of less than \$500,000.
- [8] Rural airports would be defined as those having fewer than 100,000 passenger enplanements in the previous calendar year, excluding those within 75 miles of airports having more than 100,000 passenger enplanements in the previous year.
- [9] Under present law, domestic flight to or from Alaska or Hawaii are subject to a \$6.00 departure tax plus a 10% tax on the portion of ticket price attributable to the portion of flight over land.
- [10] Estimate provided by the Congressional Budget Office.
- [11] Gain of less than \$500,000.
- [12] Estimate does not include increase in receipts to Social Security trust fund (\$21 million for 1997 2002; \$51 million for 1997 2007).